Term Permit Fee Methodology

Effective January 1, 2011

Term permits are required for long-term use of the public right-of-way for significant structures like privately-owned skybridges and tunnels. The term permits are authorized by a City Council approved ordinance. The Seattle Department of Transportation (SDOT) is responsible for providing the legislation recommendation to City Council that includes the annual fee valuation for the encroachment.

Ordinance 123485 established a Term Permit Fee Methodology to be administered by SDOT for the following structures:

- Sub-surface:
 - o Utility tunnels/structures
 - Vehicle/pedestrian tunnels
- At-grade:
 - Public plazas/artwork
 - o Structures/restricted access
 - Utility structures
- Above grade:
 - Overhead building structures
 - Skybridges
 - o Vehicle bridges
 - Vehicle ramps

The Term Permit Fee Methodology incorporates the following four factors when determining the annual fee recommendation:

(Land value) x (Use area) x (Rate of return) x (Degree of alienation) = Annual fee

 Land value: the value of the use area in the right-of-way shall be based on the abutting parcel's current land value as determined by the King County Assessor. If the use area extends beyond the centerline or abuts multiple parcels, the permit fee shall be calculated by averaging the abutting parcels' current land values.

King County Assessor parcel land value information can be found at the following website:

http://info.kingcounty.gov/Assessor/eRealProperty/default.aspx

- 2. **Use area:** Square footage of the permitted encroachment in the right-of-way, as authorized by SDOT.
- Rate of return: Annualized rate of return on market value of the right-of-way, as established by the City Appraiser or a State of Washington Certified General Real Estate Appraiser retained by the SDOT Director.
- 4. **Degree of Alienation:** The degree of impact on the public, utilities, right-of-way, and other potential uses of the right-of-way based on City policy, as established by SDOT.

Refer to Table A for the specific degree of alienation factor rates based on the type of structure.

Table A: Degree of Alienation Factor

Use Description:		Factor rate:
Sub-	Utility tunnels/structures	0.3
surface:	Vehicle/pedestrian	0.25
	tunnels	
At-	Public plazas/artwork	0.1
grade:	Structures/restricted	0.8
	access	
	Utility structures	0.5
Above	Overhead building	0.75
grade:	structures	
	Skybridges (private use)	2.0
	Skybridges (public use)	0.1
	Skybridges (semi-public	0.75
	use)	
	Vehicle bridges	0.5
	Vehicle ramps	0.2

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There are three types of skybridge uses that have differing degrees of alienation, private, public, and semi-public.

Examples of these use type include:

- Private: skybridges connecting office building or condominium garage access.
- Public: skybridges connecting to the public transportation network.
- Semi-public: skybridges connecting hospitals, department stores, hotel/convention centers.

Portions of sub-surface or above-grade structures, such as columns or stairwells, may be located at grade. Except for vehicle ramps, the total value of the term permit annual fee shall be calculated by adding the value of the at-grade use area to the value of the sub-surface or above-grade use area.